



**Confidential/Enforcement
Sensitive**

**AES PUERTO RICO, L.P.
Guayama, Puerto Rico**

**July 21, 2017 Site Visit
& Proposed Enforcement
Strategy**

Presented by:

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Facility Information

- Located on a flood plain near Las Mareas Bay
- North – TAPI; East – CPCPRC; South – wetlands and Las Mareas Bay channel; and West – AES Illumina's photovoltaic panels complex
- Operation began in November, 2002
- Two units (525 MW – gross production; 454 MW - net production)

Facility Information (contd.)

- About 130 employees
- 84-acre site leveled above 100-year flood elevation
- Storm channel constructed to manage 100-year storm with on-site and off-site runoff -- 100-year storm (14.5 inches)
- Average rainfall for Guayama, PR is 60 inches/year (semi-arid)
- Marine cargo area located at Las Mareas Bay for limestone and coal unloading from cargo ships, and Aggremax loading into cargo ships

Facility Information (contd.)

- Run-on from offsite and AES (non-regulated) site collected in concrete channel that discharges into wetlands



Facility Information (contd.)

- Run-on from neighboring lands on north side is collected in underground pipeline that discharges into wetlands



Facility Information (contd.)

- Run-off from TAPI's facility is collected and discharged into wetlands side-by-side AES's Outfall 003.



Facility Information (contd.)

- AES' site stormwater runoff associated with industrial activity is collected in a stormwater collection and discharge system. AES reuses the runoff collected at SW Pond for water production prior to overflow discharge.



Discharge and Sampling Locations



SW Pond

Sampling Point 003

Coal Pile Pond

Discharge Outfall 003

Discharge/Sampling Outfall 002

The image is an aerial photograph of an industrial site, likely a power plant or coal processing facility. It features several large, dark-colored ponds and a complex of buildings and structures. Yellow arrows are used to point to specific locations of interest, which are labeled with bold yellow text. The labels include 'SW Pond', 'Sampling Point 003', 'Coal Pile Pond', 'Discharge Outfall 003', and 'Discharge/Sampling Outfall 002'. The site is surrounded by green vegetation and a road is visible on the left side.

Facility Information (contd.)

- Run-off (stormwater and process wastewater) from production and material storage areas is collected and conveyed into Coal Pile Runoff Pond through swales and channels. No discharge from this Pond into wetlands. All wastewater is re-used for water production and dust control.



Past Investigations & Enforcement Actions

- April 2011 - RFI per CWA's § 308(a) about an unauthorized discharge of pollutants
- July 2011 –Inspection
 - Discharges of stormwater / non-stormwater without permit
 - Coal Pile Runoff Pond overflowed into wetlands.
 - Lack of structural and non-structural BMPs across the board.
 - Lack of maintenance to storm sewers and retention ponds.
- December 2011 – Unilateral ACO with milestones, schedules and reporting requirements
- March 2012 – CA/FO with \$170,000 Civil Penalty

Past Investigations & Enforcement Actions

- May 2013
 - EPA approved 31 Structural BMPs and 55 Non-Structural BMPs
 - AES constructed 2 additional BMPs.
- August 2013 – EPA inspected BMPs construction activities
- September 2013 - Construction Substantial Completion
- September 2013 - 2008 MSGP coverage obtained
- June 2014 – Inspection
- December 2014 - Inspection







Past Investigations & Enforcement Actions

January 2015 - Inspection



Past Investigations & Enforcement Actions

- March 18, 2015 – Order on Consent

- August 2016 – Enforcement Case Support Inspection
 - Submittal of Pending Reports (e.g., annual reports) – done
 - SW Sampling SOP – done
 - SW Quarterly Monitoring and Reporting – ongoing
 - Final BMPs Implementation Report – done
 - Plan of Action
 - BMPs for pending areas – done
 - Plan for minimization and control of dust – submitted on time
 - Postponed submittal of comments due to Aggremax legal cases and increase in storage
 - Creation of SW Coordinator Position – done
 - Submittal of Compliance Progress Reports - ongoing



Past Investigations & Enforcement Actions

- AES September 6, 2016 Letter to EPA – Request for Termination of the AOC

- EPA February 16, 2017 Letter to AES
 - Requested AES to submit response to all findings of the ECSI included in the ECSI Report, dated January 4, 2017

 - Notified AES of Termination of AOC – Rationale for Termination
Main reasons for termination
 - AOC was based on an expired MSGP, which was re-issued in June 2015
 - AES complied with the substantial requirements of the AOC
 - Lack of enforcement ability due to conditions of the re-issued MSGP

 - Addressed EPA's review of all provisions of the AOC to address AES' petition for termination of the AOC
 - Provided comments on the Dust Control SOP
 - Requested compliance actions to address findings of the ECSI

Past Investigations & Enforcement Actions

➤ AES April 7, 2017 Letter to EPA

- Provided documentation to address the findings of the ECSI
- Provided a Revised Dust Control Plan
- Provided storm water monitoring discharge data
- Provided reports that were required under the AOC

➤ July 25, 2017 Site Visit

- Evaluate AES's response to the EPA's comments on the Dust Control Plan
- Evaluate potential BMPs to address Iron in Outfall 002
- Visit Sampling Points 002 and 003
- Evaluate the implementation of Dust Control in the Agremax Pile
- Note: The Site Visit did not include review of records

Past Investigations & Enforcement Actions



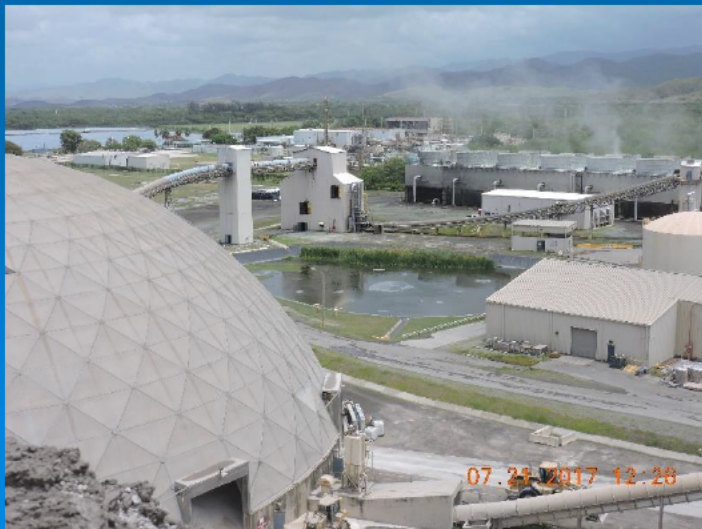
Past Investigations & Enforcement Actions



Past Investigations & Enforcement Actions



Past Investigations & Enforcement Actions




Past Investigations & Enforcement Actions



Proposed Enforcement Strategy

➤ Issue NOV Letter to AES

- Most effective enforcement tool at this time
 - Timing
 - Resources
 - Compliance History
- Responds to AES April 7, 2017 Letter in a holistic way
- Close once and for all the 2008 MSGP enforcement
- Ascertain enforcement capability for failure to implement dust control plan under the 2015 MSGP
 - [REDACTED] 
- Addition of BMP for storm water reuse and reduction of Iron concentration thru outfall 002

➤ Monitor compliance with the required actions

Q's & A's